Headquarters U.S. Air Force

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AFMS Council

12 Aug 04

0930-1100

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Agenda

- **TRICARE Operations and Patient Admin (TOPA) – Col Raynaud** **30 Min**
- **Other Procurement (OP) – Lt Col Larcom** **30 Min**

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TRICARE Operations & Patient Administration (TOPA)

Col Gene Raynaud

Chief, Medical Support Policy and Operations

12 Aug 04

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TRICARE Operations and Patient Administration (TOPA)

- **Purpose: Proposal to AFMS Council regarding authorization of a TOPA Flight**
  - **Classification: Unclassified**
  - **Type: Decision**
  - **Length of Briefing: 10 min**
  - **Briefer: Col Gene Raynaud, HQ USAF/SGOS, DSN 754-4563, eugene.raynaud@pentagon.af.mil**

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View from the Top

“Patient Admin: one of <u>the</u> critical enablers of the 21st Century AFMS...”

Lt Gen Peach Taylor

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What We Recommend - Policy

- **AF/SG approve OMG policy waiver authorizing MDG CCs to:**
  - **Disestablish BOBS Flights**
  - **Establish TOPA Flights**

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Why Change?

- **OMG Reorganization Broke Patient Administration Programs**
  - Validated by HSI/JCAHO inspection findings
- **TMA/Health Affairs/HIPAA Compliance**
  - Records Availability/Mgmt one of TMA/HA top concerns
  - HIPAA drives policy changes on Protected Health Information
- **TRICARE Next Generation of Contracts**
  - Appointing Call Centers
  - Referral Management Centers
  - Medical Management
- **Expeditionary Case Analysis**
  - Patient Administration is the MSC/4A0 expeditionary mission
    - AE, Patient Tracking, and Patient Admin Teams
- **Line AF Leadership Wants It Now!**
  - One-stop-shop

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Recent History

- **Patient Admin IPT (Jan 2002 – Dec 2003)**
  - **Review relevancy of functions**
  - **Rewrote AFI 41-210, Patient Admin Functions**
  - **Suggested Organizational Structure Changes**
- **4A0 Utilization and Training Workshop (Aug 2003)**
  - **Developed TOPA requirements**
  - **Supports T-NEX and the Expeditionary Mission**
  - **CFETP Approved 28 Jul 04 by AF/SG**
- **Health Plan Mgmt Summit (Feb 2004)**
  - **MAJCOM, MTF and Air Staff experts**
  - **Validated work done by IPT**
  - **Examples of what works**

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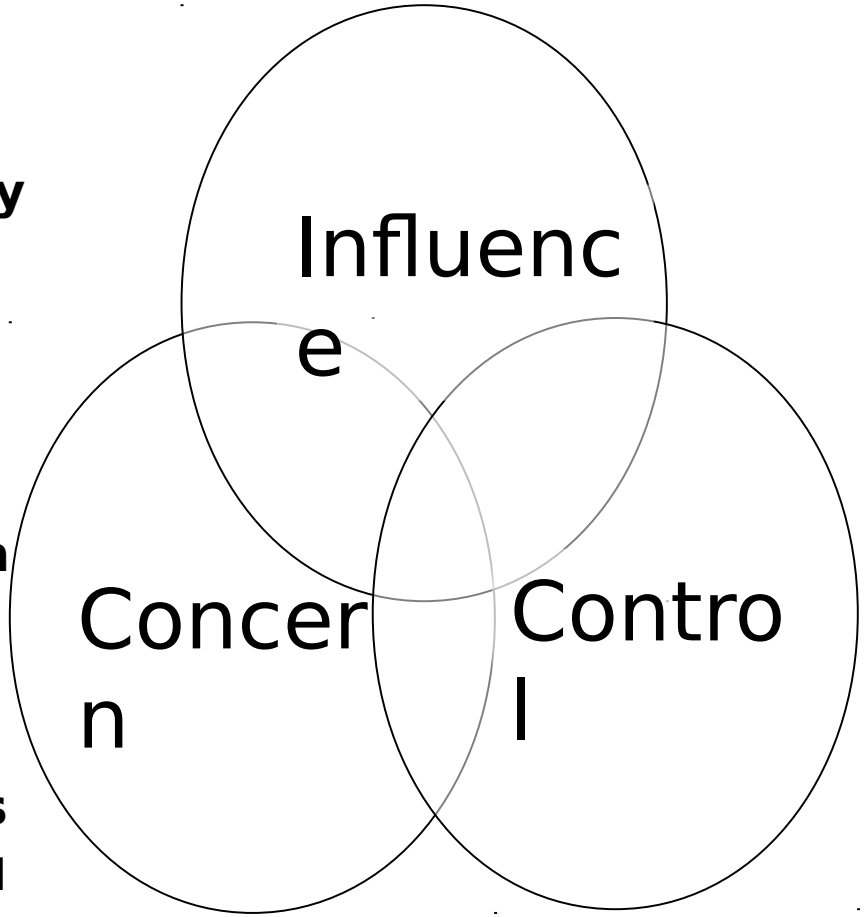
Flight Considerations

- **Striving for integrated organizational approach to increase overall effectiveness**
- **Healthy organizational tension**
  - **<u>Patient Admin</u> element essential to execute day to day ops**
    - **Best position to identify challenges**
  - **<u>TRICARE</u> element builds MTF-MCSC plans/policy to support UM and Patient Admin**
    - **MOU development**
  - **<u>Medical Management</u> element essential bridge between clinical and business functions**
    - **Enables "influence" on clinical and business process**



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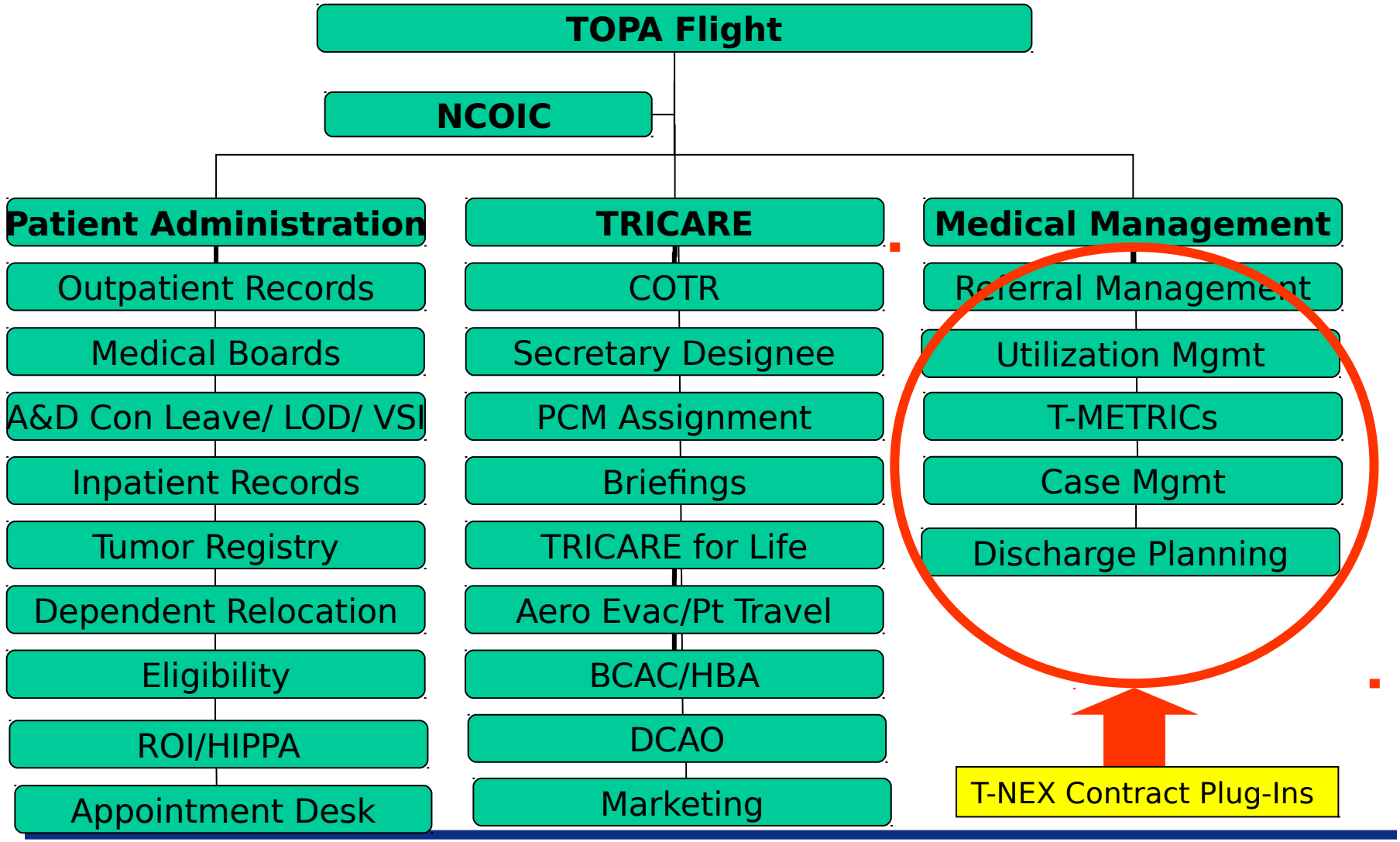
Notional TOPA Flight



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What We Recommend - Policy

- **Merge TRICARE activities with Patient Admin under MDSS**
- **Offer two models for large and small (MTF decides based on resources, specialties, bldg and market)**
  - Large - two separate flights
  - Small - merged into one
- **BOBs is no longer needed – Authorize their elimination**
- **RMO future demands are changing with T-NEX**
  - Focus on Revised Financing, Revenue Cycle, Business Plan Development
- **Execute with <u>existing resources</u> for now (manpower neutral)**
- **Validation by PLATT using actual execution experience by MTFs**
  - POM FY08

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TOPA Summary

- Recommend AF/SG approval of TOPA policy waiver
- Allow MTF CCs to:
  - Disestablish BOBS Flights
  - Establish TOPA Flights

Questions

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AFMS Investment Equipment Program (Other Procurement) *Risks & Impacts*

Lt Col Larcom/SGRM

12 Aug 2004

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AFMS Investment Equipment Risks & Impacts

- **Purpose: Identify risks and impacts inherent in investment equipment program funded at PB05 baseline levels over POM cycle**
  - **Classification: Unclassified**
  - **Type: Informational**
  - **Length of Briefing: 30 minutes**
  - **Briefer:**
    - **Lt Col Larcom, AF/SGRM**

Overview

- Background
- Funding Profile and Programs
- Risk & Impact Assessment
- Conclusions
- Way-ahead
- Backup Slides (Investment Program Component RAPIDS)

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Background

- **Annual OP Brief to AF/SG (Stand-up) – 15 March – Direction from Lt Gen Taylor - “Bring forward the investment program requirements and risks/impact if not funded”**
- **AFMS Group – 14 April – briefing defining requirements & risks presented. Approved by AFMS Group for inclusion in POM submission as an unfunded requirement**
- **AFMS Council – 16 April – SGM briefed total OP requirements to council from 14 Apr in summary form; risks/impacts not quantified in that briefing.**
- **AFMS Group – 21 May – decision to withdraw OP requirements from POM submissions to TMA; retained as internal bill -- rack and stack pushed this bill below the internal funding cut line**
- **AFMS Council – 8 July – AF/SGM briefed that OP program requirements were included in AFMS POM submission to TMA**
- **AFMS Group – 21/28 July – OP discussion presented to correct record; SGR requested that risk/impact element of OP program be briefed to Council or offline -- request approved 28 July to go through corp structure**

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AFMS PY06-11 OP Program Reqmts & Funding profile

Air Force Medical Service - POM 06-11 Other Procurement Program							
Synopsis	FY06	FY07	FY08	FY09	FY10	FY11	FY06-11
Total Funded Baseline	79.8	79.1	77.7	66.8	67.7	68.6	439.8
Unfunded	18.4	20.5	4.8	20.9	22.1	23.9	110.6
Total Requirement	**98.2**	**99.7**	**82.6**	**87.8**	**89.7**	**92.5**	**550.4**

* Adjustment (Unfunded) presented on 14 & 16 April was $158.4M; included a wedge to present a level program that was subsequently removed by mutual agreement when the Budget Change Proposal submissions to TMA were generated

Programs

- **FY04-05 OP funding short in the following baseline/ongoing investment programs, creating a "bow-wave" for resolution in out-years**
  - Picture Archive Communication Systems short by $8M
  - MSIM (Network Upgrade/Replacement) short by $8M
  - Combat Information Transport System is short by $16M

- **Current PB funded baseline is insufficient to address the following new high-interest initiatives**
  - Telephony implementation - $38.7M
  - Digital Mammography implementation - $25M
  - Magnetic Resonance Imaging modernization (to 3 TESLA) - $15M

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Risks & Impact Assessment

- **Cannot close network back-doors at 74% of AFMS sites**
- **Cannot comply with CSAF Network Consolidation mandates at 59 of 80 sites**
- **Critical telephony infrastructure issues may cause catastrophic failure at a premium price tag**
- **Medical Investment Equipment refresh rates may be extended well beyond useful life-expectancy rates**

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Assessment, cont.

- Network cable plant/electronics refresh rates will slip
  - Increases in work stoppages due to H/W failure
  - Load/Density saturation point reached
    - Traffic jams affecting existing applications
    - New applications may not be deployable
  - Higher costs for engineering & installation labor
  - Increased costs for spares replenishment

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Assessment, cont.

- 21 sites will experience two or more year delay in obtaining telephony infrastructure needed for TNEX implementation
- Key/high-interest validated modernization initiatives will slip significantly to the right or die
  - Digital Mammography implementation - $25M
  - Magnetic Resonance Imaging (to 3 TESLA) - $15M

Conclusions

- Little to no internal trade-off flexibility in this highly constrained program
  - Can’t handle unforeseen requirements (the next “telephony”)
  - Can’t accommodate schedule accelerations driven by mission (e.g. TNeX)
- Policy mandates won’t be fulfilled
- Deliberate, recurring modernization difficult with existing baseline
  - Can’t sustain new acquisitions with baseline

Way-ahead

- Continue OP Working Group reviews to identify internal offsets and borrowing opportunities
- Seek to trade O&M for OP in FY05 to alleviate most critical shortfalls
- Address issue in the upcoming APOM cycle with Health Affairs
- Plan to fix in the out-years (POM 08-13)

Backup Slides

Medical Information Technology Transition – Last Mile
CITS/MITT-LM Program

BACKGROUND:

This UNDERFUNDED program provides for the program management, engineering, design, and installation of AF CITS (Combat Information Transport System) generated last mile design. Provides for the standard architecture to connect AF medical data networks to Base networks. Closes medical network backdoors. **Fulfills SECAF mandate**.

ADJUSTMENT:

Program received a lump sum funding for start-up and to provide a standard design and architecture at 18 test sites. Adjustment required to deploy the **AF IAC approved design** to the remainder of the AF and finish original sites.

FUNDING (Total):

	FY 2004 FY10	FY 2005 FY11	FY 2006	FY 2007	FY 2008	FY 2009
CURRENT PROGRAM	$ -	$ -	$ -	$ -	$ -	$ -
ADJUSTMENT	*$ 6.8*	*$ 8.7*	*$ -*	*$ -*	*$ -*	*$ -*
REVISED PGM TOTAL	**$ 6.8**	**$ 8.7**	**$ -**	**$ -**	**$ -**	**$ -**

Line Items	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11

MANPOWER	FY04	FY05	FY06	FY07	FY08	FY09	FY10

IMPACTS:

- Medical data network backdoors will not be closed
- CHCS II long haul network circuits/VPNS will not be supported by AF
- Dedicated medical network electronics will not be installed
- Last mile design will not be implemented
- Effort to consolidate medics under “One AF – One Network” delayed

Telephony Upgrade & Modernization (TELMOD)

BACKGROUND:

Unfunded Program to address MTFs, GAO, IGCE identified telephony #1 patient complaint to access and method to make appointment. MTF Call abandonment rate 22-36 % (civilian <2%). Appointing: make or break service for day to day MTF business; entry point to product lines. Upgrades required to position MTFs for success under T-NEX.

ADJUSTMENT:

Purchase telephony equipment (switches and automated call directors) IAW approved, prioritized deployment plan/schedule, in support of TNEX implementation.

$M 04A1P101AY	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
CURRENT PRG			$ -	$ -	$ -	$ -	$ -	$ -
ADJUSTMENT			*$ 8.2*	*$ 8.2*	*$ 8.2*	*$ 4.7*	*$ 4.7*	*$ 4.7*
REV PGM			**$ 8.2**	**$ 8.2**	**$ 8.2**	**$ 4.7**	**$ 4.7**	**$ 4.7**
TOTAL								

IMPACTS:

- Every MTF prioritized by standardized, modular, upgradeable capabilities package
- Vital to meet MHS telephone access standards; improve patients' ease of making appointments by phone
- If not funded: Continued patient frustration with telephone appointing; no standardized MHS telephony metrics; impaired access to the Direct Care system; risk loss of enrollees to network, increased PSC costs

AFMS PACS / Teleradiology Program

BACKGROUND:

Radiologist staffing is expected to reach 50% in CY05. To complement AFMSA's digitization initiative (wet film to digital), AMC/SG sponsored an IPT that developed a comprehensive plan for AFMS Diagnostic Imaging (DI).

ADJUSTMENT: Required to address the bow-wave from FY05, finish the program as originally planned in FY06, a become trading space contributing to the other line item increases needed within the total AFMS OP program.

FUNDING ($M):

	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
PEC			$ 10.0	$ 8.0	$ 8.0	$ 8.0	$ 8.0	$ 8.0
URRENT PRG			$ -	$ (1.2)	$ (8.0)	$ (8.0)	$ (8.0)	$ (8.0)
DJUSTMENT								
REV PGM			$ 10.0	$ 6.8	$ -	$ -	$ -	$ -
TOTAL								

MANPOWER	FY04	FY05	FY06	FY07	FY08	FY09
OFFICER						
ENLISTED						
CIVILIAN						

IMPACTS:

- Execution of PACS/Teleradiology initiatives is absolutely vital to the survival of AFMS radiology services.
- PACS/TR will prevent radiology workload at 48 MTFs from being sent on the local economy or from hiring on-site contract radiologists to support each MTF losing radiologists (possible 40 radiologists @ $300K each).

New Capabilities (SGROCC Validated Reqmts)

BACKGROUND:
More than 62 initiatives have been validated at the SGROCC. Needs assessments have been performed on each of these. This is the basis for appropriation allocation of the MMP ToA, and establishes the need for $25M per year beginning in FY06. Given the ToA based constraint, more than $35M worth of initiatives requiring OP cannot be addressed in the current POM cycle. Finally, two new initiatives were just validated worth over $40M in OP funds (Digital Mammography and 3-TESLA MRIs.

ADJUSTMENT:

Required to provide a stable funding base for strategic and deliberate modernization of the AFMS, permitting

Validated initiatives that require OP funds for acquisition (threshold reqmts) to be acquired

Send attached:

$M 04A1P101AY	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
CURRENT PRG			$ -	$ -	$ -	$ -	$ -	$ -
ADJUSTMENT			$ -	$ 15.0	$ 21.8	$ 22.5	$ 23.3	$ 24.0
REV PGM								
TOTAL			$ -	$ 15.0	$ 21.8	$ 22.5	$ 23.3	$ 24.0

PROCUREMENT	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09

IMPACTS:

-Without this funding adjustment, the AFMS will be unable to modernize business functions requiring high-dollar value investments

-This funding line must be renewable annually to support deliberate modernization

- There is insufficient funding within the OP funded program baseline to support a deliberate process of new acquisition without significant negative impact on our collective ability to sustain, maintain and replenish our current AFMS installed equipment base

- Failure to fund this program (with the increase needed that cannot be obtained from within the OP funding trade space will result in the inability to complete more than $80M in validated SGROCC initiatives during this program cycle that have been identified in only the first 10 months of SGROCC operation (4 meetings)

Medical Systems Infrastructure Modernization (MSIM) Program

BACKGROUND:

Provides for the materiel (cable and electronics) and labor to install Local Area Network Infrastructure to AFMS facilities. Includes initial outfitting for Military Construction projects.

ADJUSTMENT:

Adjustment accounts life-cycle replacement factors of cable plant and electronics; effect of regulatory requirements (e.g. cable plant removal); and economic inflation affecting labor and materiel across the program cycle

FUNDING (Total):

	FY 2004 FY10	FY 2005 FY11	FY 2006	FY 2007	FY 2008	FY 2009
CURRENT PROGRAM		$ 17.7	$ 18.0	$ 14.9	$ 15.2	$ 15.5	$ 15.7
ADJUSTMENT		*$ 9.8*	*$ 9.6*	*$ 8.5*	*$ 8.2*	*$ 8.0*	*$ 7.8*
REVISED PGM TOTAL		**$ 27.5**	**$ 27.5**	**$ 23.5**	**$ 23.5**	**$ 23.5**	**$ 23.5**

- Cannot sustain required network cable infrastructure refresh cycle (10 years) without adjustment
- Cannot sustain required network electronics refresh cycle at rate based on life-expectancy (4 years) without adjustment
-Cannot support the procurement of electronics for the MILCONs for affecting “Beneficial Occupancy Date”
- Failure to sustain infrastructure will increase the number of network failures and interrupt healthcare delivery

AFMS Medical Investment Equipment Program

BACKGROUND:

Medical Investment Equipment includes all equipment or systems over $250K. Due to a change in the procurement fund threshold, investment equipment between $100K-$250K is O&M. All equipment $250K and above is now procurement dollars.

ADJUSTMENT:

Adjustments reflect repositioning of the identified trading space, transfer of specific new initiatives to the Moderization OP line and leveling of the FY04-FY05 bow-wave and annual requirement for this program across the FYDP.

FUNDING ($M):

	FY 2004 FY10	FY 2005 FY11	FY 2006	FY 2007	FY 2008	FY 2009
CURRENT PROGRAM PGM		$ 52.1	$ 53.2	$ 54.8	$ 43.6	$ 44.2	$ 44.9
ADJUSTMENT		*$ (6.5)*	*$ (6.8)*	*$ (22.2)*	*$ (6.2)*	*$ (5.6)*	*$ (4.7)*
REVISED PGM TOTAL		**$ 45.6**	**$ 46.4**	**$ 32.6**	**$ 37.4**	**$ 38.6**	**$ 40.2**

IMPACTS:

-Funding ensures the AFMS can sustain the existing baseline of equipment and all recent and anticipated acquisitions through the deliberate modernization of business functions requiring high-dollar value investments

-Required to provide a stable funding base that will permit tech refresh, sustainment, replacement and maintenance based on the equipment replacement life-cycle and refresh rates for all equipment acquired through the deliberate and strategic modernization process.

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